

House File 2322 - Introduced

HOUSE FILE 2322

BY THOMAS and BEARINGER

A BILL FOR

1 An Act providing for certain moneys generated from the
2 corporate income tax, including by providing for the
3 transfer of such moneys to an Iowa conservation, outdoor
4 recreation, and economy fund and the allocation from
5 that fund to specific funds relating to soil and water
6 conservation, natural resources, and the environment and
7 making appropriations.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 161A.77 Soil and water conservation
2 cost-share fund.

3 1. A soil and water conservation cost-share fund is created
4 within the state treasury under the control of the division.

5 2. The fund is composed of moneys from public or private
6 sources, including all of the following:

7 a. Moneys appropriated from the Iowa conservation, outdoor
8 recreation, and economy fund created in section 461.41.

9 b. Moneys available to and obtained or accepted by the
10 division from the United States government.

11 c. The recapture of awards or penalties, or other repayments
12 of moneys originating from the fund.

13 3. Moneys in the fund are appropriated to the division
14 exclusively to support soil and water conservation districts
15 in financing permanent soil and water conservation practices
16 within their districts on a cost-share basis as provided in
17 this chapter.

18 4. The moneys appropriated in this section shall be
19 appropriated to soil and water conservation districts according
20 to rules adopted by the division in accordance with policies
21 established by the committee pursuant to section 161A.4.

22 5. a. Notwithstanding section 12C.7, interest or earnings
23 on moneys in the fund shall be credited to the fund.

24 b. Notwithstanding section 8.33, unencumbered and
25 unobligated moneys remaining in the fund at the close of each
26 fiscal year shall not revert but shall remain available in the
27 fund.

28 6. This section is repealed on the date that revenues are
29 transferred to the natural resources and outdoor recreation
30 trust fund created in section 461.31 pursuant to section 423.2,
31 subsection 11, paragraph "b", subparagraph (2). However, any
32 unobligated or unexpended moneys shall remain available to be
33 expended as provided in this section.

34 Sec. 2. Section 422.69, Code 2014, is amended by adding the
35 following new subsection:

1 NEW SUBSECTION. 3. a. Subsequent to the deposit of revenue
2 collected from income taxes imposed under division III to the
3 general fund, the department shall transfer ten percent of
4 such revenue to the Iowa conservation, outdoor recreation, and
5 economy fund created in section 461.41.

6 b. This subsection is repealed on the date that revenues
7 are transferred to the natural resources and outdoor recreation
8 trust fund pursuant to section 423.2, subsection 11, paragraph
9 "b", subparagraph (2), and any remaining revenues that were
10 to be transferred prior to the date they are transferred as
11 provided in paragraph "a".

12 Sec. 3. Section 461.31, subsection 2, paragraph a, Code
13 2014, is amended to read as follows:

14 a. (1) The trust fund shall be composed of moneys required
15 to be credited to the trust fund by law and moneys accepted by
16 a department for placement in an account established in this
17 subchapter and from any source.

18 (2) (a) The trust fund shall also be composed of moneys
19 appropriated from the Iowa conservation, outdoor recreation,
20 and economy fund as provided in section 461.41.

21 (b) This subparagraph is repealed on the date that revenues
22 are transferred to the natural resources and outdoor recreation
23 trust fund pursuant to section 423.2, subsection 11, paragraph
24 "b", subparagraph (2).

25 Sec. 4. NEW SECTION. 461.41 Iowa conservation, outdoor
26 recreation, and economy fund.

27 1. An Iowa conservation, outdoor recreation, and economy
28 fund is created within the state treasury under the control of
29 the department.

30 2. The fund is composed of moneys from public or private
31 sources, including all of the following:

32 a. Moneys transferred from the general fund of the state
33 pursuant to section 422.69.

34 b. Moneys available to and obtained or accepted by the
35 division from the United States government.

1 3. The revenues are transferred to the following specific
2 funds as follows:

3 *a.* Fifty percent to the natural resources and outdoor
4 recreation trust fund created in section 461.31.

5 *b.* Twenty-five percent to the water quality initiative fund
6 created in section 466B.45.

7 *c.* Fifteen percent to the soil and water conservation
8 cost-share fund created in section 161A.77.

9 *d.* Five percent to the watershed improvement fund created
10 in section 466A.2.

11 *e.* Five percent to the watershed conservation reserve
12 enhancement program fund created in section 466.5A.

13 4. This section is repealed on the date that revenues are
14 transferred to the natural resources and outdoor recreation
15 trust fund pursuant to section 423.2, subsection 11, paragraph
16 "b", subparagraph (3), and any moneys remaining in the fund are
17 appropriated to the specific funds provided in subsection 2.

18 Sec. 5. NEW SECTION. **466.5A Conservation reserve**
19 **enhancement program fund.**

20 1. A watershed conservation reserve enhancement program
21 fund is created within the department of agriculture and land
22 stewardship under the control of the department.

23 2. The fund is composed of moneys from public or private
24 sources, including all of the following:

25 *a.* Moneys appropriated from the Iowa conservation, outdoor
26 recreation, and economy fund created in section 461.41.

27 *b.* Moneys available to and obtained or accepted by the
28 division from the United States government.

29 *c.* The recapture of awards or penalties, or other repayments
30 of moneys originating from the fund.

31 3. Moneys in the fund are appropriated to the department
32 exclusively to carry out the purposes of the conservation
33 reserve enhancement program established in section 466.5.

34 4. *a.* Notwithstanding section 12C.7, interest or earnings
35 on moneys in the fund shall be credited to the fund.

1 *b.* Notwithstanding section 8.33, unencumbered and
2 unobligated moneys remaining in the fund at the close of each
3 fiscal year shall not revert but shall remain available in the
4 fund.

5 5. This section is repealed on the date that revenues are
6 transferred to the natural resources and outdoor recreation
7 trust fund pursuant to section 423.2, subsection 11, paragraph
8 "*b*", subparagraph (2). However, any unobligated or unexpended
9 moneys shall remain available to be expended as provided in
10 this section.

11 Sec. 6. Section 466A.2, subsection 1, paragraph a, Code
12 2014, is amended to read as follows:

13 *a.* (1) A watershed improvement fund is created in the
14 state treasury which shall be administered by the treasurer of
15 state under the supervision of the watershed improvement review
16 board. Moneys in the fund are appropriated to the treasurer of
17 state for expenditure as authorized by the board to carry out
18 the purposes of this chapter. The fund shall include moneys
19 appropriated by the general assembly. The fund may include
20 other moneys available to and obtained or accepted by the
21 division, including moneys from public or private sources.

22 (2) (a) The fund shall also be composed of moneys
23 appropriated from the Iowa conservation, outdoor recreation,
24 and economy fund as provided in section 461.41.

25 (b) This subparagraph is repealed on the date that revenues
26 are transferred to the natural resources and outdoor recreation
27 trust fund pursuant to section 423.2, subsection 11, paragraph
28 "b", subparagraph (2).

29 Sec. 7. Section 466B.45, subsection 2, Code 2014, is amended
30 to read as follows:

31 2. *a.* The fund shall include moneys appropriated by the
32 general assembly. The fund may include other moneys available
33 to and obtained or accepted by the division, including moneys
34 from public or private sources.

35 *b.* (1) The fund shall also be composed of moneys

1 appropriated from the Iowa conservation, outdoor recreation,
2 and economy fund as provided in section 461.41.

3 (2) This paragraph "b" is repealed on the date that revenues
4 are transferred to the natural resources and outdoor recreation
5 trust fund pursuant to section 423.2, subsection 11, paragraph
6 "b", subparagraph (2).

7 EXPLANATION

8 The inclusion of this explanation does not constitute agreement with
9 the explanation's substance by the members of the general assembly.

10 This bill provides that 10 percent of revenues from
11 corporate income taxes that are now deposited into the
12 general fund of the state are to be transferred to a new Iowa
13 conservation, outdoor recreation, and economy fund, and from
14 that fund are to be further transferred to a number of specific
15 funds, including the natural resources and outdoor recreation
16 trust fund (Code section 461.31), the water quality initiative
17 fund (Code section 466B.45), a new soil and water conservation
18 cost-share fund to support soil and water conservation
19 districts in financing permanent soil and water conservation
20 practices (new Code section 161A.77), the watershed improvement
21 fund (Code section 466A.2), and a new watershed conservation
22 reserve enhancement program fund (new Code section 466.5A) to
23 carry out the purposes of the conservation reserve enhancement
24 program (Code section 466.5). The bill provides that the
25 percentage of corporate income tax revenues will no longer
26 be transferred from the general fund of the state to the new
27 fund and that the new fund along with the other special funds
28 created in the bill will be eliminated upon the implementation
29 of Article VII, section 10, of the Constitution of the State
30 of Iowa. That provision requires the transfer of revenue
31 generated by an increase of up to three-eighths of one percent
32 imposed upon the retail sales price of tangible personal
33 property and the furnishing of enumerated services sold in this
34 state. Those moneys are to be distributed to various accounts
35 to support initiatives relating to soil and water conservation,

1 natural resources, and environmental protection as administered
2 by the department of natural resources, the department of
3 agriculture and land stewardship, and the state department of
4 transportation.